

SENATE BILL 2090
By Henry

AN ACT regarding debt financing by government units, and to
amend Tennessee Code Annotated, Title 9, Chapter 1 and
Title 49, Chapter 3; Part 12

WHEREAS, it is the intent of this General Assembly to clarify the meaning of the term
“equipment” wherever such term is used in connection with the governmental financing of
computer hardware and software.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 1, is amended by
adding the following section:

Section 9-1-1__.

Whenever the right to issue debt, whether bonds, notes or other obligations,
exists for the state of Tennessee, any corporate governmental agency or
instrumentality of the state of Tennessee, any county, city, municipal
corporation, or other subdivision or public agency or entity thereof to finance
capital assets, computer software (whether acquired before, at the same time as,
or after the hardware needed for utilization of the software) to the extent
accounted for as a capital asset shall constitute equipment for financing
purposes.

SECTION 2. If any provision of this act or the application thereof to any person
or circumstance is held invalid, such invalidity shall not affect other provisions or applications of
the act which can be given effect without the invalid provision or application, and to that end the
provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it.